

Lesson 3

Minds on questionnaire

Instructions: Circle the correct answer while watching the video lesson.

1. What does TFSA stand for?
 - a) Tax-Free Savings Account
 - b) Tax-Flexible Savings Agreement
 - c) Tax-Free Savings Asset
 - d) Tax-Flexible Savings Account
2. Which of the following is true about TFSA contributions?
 - a) They are tax deductible.
 - b) You are not taxed on the money you withdraw.
 - c) You must pay taxes when you withdraw.
 - d) You cannot withdraw money anytime.
3. Who can open a TFSA?
 - a) Any Canadian student older than 18
 - b) Any Canadian adult over 50 years old
 - c) Any Canadian person who has a job
 - d) Any Canadian adult with a Social Insurance Number
4. What is the maximum annual contribution limit for a TFSA in 2024?
 - a) \$5,000
 - b) \$6,000
 - c) \$7,000
 - d) \$8,000
5. What does RRSP stand for?
 - a) Registered Retirement Savings Program
 - b) Registered Retirement Security Plan
 - c) Registered Retirement Savings Payment
 - d) Registered Retirement Savings Plan

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6. Which statement best describes RRSP contributions?
 - a) They are not tax deductible.
 - b) They reduce your taxable income.
 - c) You can withdraw money anytime without penalty.
 - d) Investment growth is taxed annually.
7. What is the annual RRSP contribution limit based on?
 - a) A fixed amount for all Canadians
 - b) 18% of your earned income from the previous year
 - c) The amount you want to save
 - d) Your age
8. At what age must you convert your RRSP into a Registered Retirement Income Fund (RRIF)?
 - a) 65
 - b) 69
 - c) 71
 - d) 75
9. What is the purpose of an RESP?
 - a) Saving for retirement
 - b) Saving for post-secondary education
 - c) Saving for buying a first home
 - d) General savings with tax benefits
10. Which government benefit is associated with RESPs?
 - a) Tax-deductible contributions
 - b) Matching grants
 - c) Tax-free withdrawals
 - d) No contribution limits
11. What does FHSA stand for?
 - a) First Home Savings Agreement
 - b) First Home Savings Account
 - c) First Home Savings Asset
 - d) Flexible Home Savings Account

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12. Which feature best describes the FHSA?
- a) Contributions are not tax deductible.
 - b) Withdrawals for any purpose are tax-free.
 - c) Contributions are tax deductible.
 - d) No limits on contributions.
13. What is the maximum yearly contribution to an FHSA in 2024?
- a) \$5,000
 - b) \$6,000
 - c) \$7,000
 - d) \$8,000
14. Non-registered accounts
- a) Have contribution limits
 - b) Are tax sheltered
 - c) Can be withdrawn anytime, but earnings are taxed
 - d) Do not allow investments in stocks or bonds
15. What is the main downside of non-registered investment accounts?
- a) No contribution limits
 - b) No access to stocks or bonds
 - c) Earnings are fully taxable
 - d) Cannot withdraw money anytime

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Minds on answer key

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